

## **Groundbreaking on the Expansion of the**

## **Virginia Tech Corporate Research Center**

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**September 20, 2010**

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## **Blacksburg, Virginia**

I am pleased to join you in Blacksburg today in breaking ground on a significant expansion of the Virginia Tech Corporate Research Center that will nearly double its size.

The Corporate Research Center is a major economic resource for Southwest Virginia. Currently, the Center consists of 27 buildings housing 140 private high-tech companies and research centers that employ more than 2,200 individuals.

A little over a year ago, I gathered with many of you here today to announce that, at my request, the U.S. Department of Commerce through its Economic Development Administration was providing a federal grant of \$1,980,000 to Virginia Tech for a major expansion of the Corporate Research Center, including the construction of 18 new buildings with the potential to house up to 100 companies and employ 2,500 individuals.

And today, with the benefit of the federal funds, which have been matched by the Virginia Tech Foundation, construction begins on the expansion. As part of the project, 18 additional buildings will be built on the site 95 acres in size, where we gather today, adjacent to the Corporate Research Center's current 120 acre site. The total cost of the project is \$3,960,000, all of which has been provided by the federal funding and the match from the Virginia Tech Foundation.

As part of the project, a road nearly 0.8 miles in length will be built from the current site through the new site. Additionally, a new water system and wastewater system will be constructed to serve the site. More than 1 mile of water lines and more than a mile of wastewater lines will be installed, and a new pump station will be constructed. Fiber optic lines will also be installed throughout the site to provide high speed Internet services to the expanded Center.

The first phase of the Virginia Tech Corporate Research Center was constructed with two previous allocations of federal funding provided by the Economic Development Administration. In 1985, a grant of \$600,000 provided the infrastructure necessary to construct the Center. In 2001, a grant of \$2 million was provided at my request to create the VT KnowledgeWorks business incubator at the Center. The incubator is currently working with fifty companies at all phases of development, and it has been recently named the 7<sup>th</sup> best incubator in the United States.

At its current size, the Corporate Research Center houses more than 140 private companies and research centers in its 27 buildings. The Center was constructed over the past 25 years. A high demand now exists for space in the Center, and the expansion for which construction begins today will provide adequate space for up to 100 new companies to operate, employing up to 2,500 individuals. It is estimated that construction on the infrastructure for the expansion will be completed in the next two years so that a built-out of the Center's 18 additional buildings can occur over the next several years.

I would like to take the opportunity of these remarks to recognize a number of individuals who have been instrumental in the Virginia Tech Corporate Research Center's outstanding success.

I would like to thank Joe Meredith, Executive Director of the Corporate Research Center, for his outstanding work on behalf of the Center.

Dr. Ray Smoot, Chair of the Board of Directors of the Center and the Chief Operating Officer of the Virginia Tech Foundation, and the other members of the Center's board and the Foundation deserve our appreciation today for their efforts and support of this project. I also want to thank Odie Fthenos, the Center's Chief Financial Officer, for writing the grant application for the federal funding.

I would also like to thank the staff of the EDA for providing this federal funding for the Center's expansion. Willie Taylor, Regional Director, and Bob Gittler, Economic Development Representative, deserve recognition today for their work to make today's announcement possible.

I would also like to recognize Mayor Ron Rordam of the Town of Blacksburg for his continuing efforts on behalf of the Town.

Finally, I would like to thank my Deputy Chief of Staff, Laura Lee, for her persistent and persuasive efforts on behalf of the Corporate Research Center.

The expansion of Virginia Tech's highly successful Corporate Research Center will bring even more research centers developing innovative technologies to the region, and residents across the New River Valley will broadly benefit from the economic development potential afforded by the Center's expansion.